

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

OCT 20 2010

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
HEP OIL GP, LLC

3a. Address 3b. Phone No. (include area code)
P.O. BOX 1499 GAINESVILLE TX 76241-1499 (940)665-4373

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

830' FNL & 815' FWL, UL: D, SEC 14, T26N-R08W

5. Lease Serial No.

SF 078430

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

NICKSON 9

9. API Well No.

30-045-05872

10. Field and Pool, or Exploratory Area

BASIN DAKOTA (PRORATED GAS)

11. County or Parish, State

SAN JUAN
NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SEE ATTACHED DESCRIPTION.

RCVD NOV 2 '10
OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

STEPHEN BEALL

Title PRODUCTION ENGINEER

Signature

Stephen Beall

Date 10/18/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

Date

FARMINGTON FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOC

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3 - 4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

Burlington Resources

Nickson #9

September 17, 2010

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830' FNL & 815' FWL, Section 14, T-26-N, R-8-W

San Juan County, NM

Lease Number: SF-078430

API#30-045-05872

Plug and Abandonment Report

Notified BLM on 9/9/10

Plugging Summary:

- 09/10/10 MOL and RU. Layout relief lines to pit. Open up well; no pressure. ND wellhead. NU BOP and test. SDFD.
- 09/13/10 Open up well no pressures. Tally and TIH with tubing; tag BP at 7199'.
Plug #1 with existing CIBP at 7199', spot 18 sxs Class B cement (21.24 cf) inside casing above BP from 7199' up to 6956' to cover the Dakota perforations and top.
TOH with tubing. SI well. SDFD.
- 09/14/10 Open up well; no pressure. Round trip 4.5" gauge ring and tag cement at 6832'. Attempt to pressure test casing to 700 PSI; bled down to 650 PSI in 30 minutes. Perforate 3 squeeze holes at 6341'. Attempt to establish rate into squeeze holes; pressured up to 750 PSI and bled down to 700 PSI in 3 minutes. TIH with 4.5" DHS cement retainer and set at 6304'. Pressure test tubing to 1200 PSI. Attempt to pressure test casing to 700 PSI; bled down to 650 PSI in 3 minutes. Sting into CR and attempt to establish rate; pressured up to 1200 PSI and held. Oscar Torres, BLM representative, approved procedure change.
Plug #2 with CR at 6304' spot 12 sxs Class B cement (14.16 cf) inside casing above CR to 6142' to cover the Gallup top.
PUH and WOC. SI well. SDFD.
- 09/15/10 Open up well; tubing on a vacuum and bradenhead 1 PSI. Blow well down. TIH and tag cement at 6178'. TOH with tubing. Attempt to pressure test casing to 725 PSI; bled down to 700 PSI in 5 minutes. Perforate 3 squeeze holes at 4518'. Attempt to establish rate into squeeze holes; pressured up to 750 PSI and bled off to 725 PSI in 5 minutes. Pump 16 bbls of water down bradenhead 1 bpm at 200 PSI; no circulation out casing. RIH with 4.5" DHS cement retainer and set at 4484'. Pressure test casing to 750 PSI for 5 minutes. Sting into CR and attempt to establish rate into squeeze holes. Pressure up to 1200 PSI and bled down to 1000 PSI in 1 minute. Sting out of CR.
Plug #3 with CR at 4484', mix and pump 51 sxs Class B cement (60.18 cf), squeeze 26 sxs below CR and leave 25 sxs above to 4146' to cover the Mesaverde top.
PUH and WOC. Oscar Torres, BLM representative, required cement tag tomorrow. SI well. SDFD.

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Plugging Summary - Continued:

09/16/10 Open up well; no pressures but bradenhead is on a vacuum. TIH with tubing and tag cement at 4093'. Load casing with water and pressure test to 750 PSI for 5 minutes. PUH to 2959'.

Plug #4 spot 76 sxs Class B cement (89.68 cf) inside casing from 2959' to 1931' to cover the Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops. PUH to 1039'.

Plug #5 spot 13 sxs Class B cement (15.3 cf) inside casing from 1039' to 863' to cover the Nacimiento top.

TOH and LD tubing. Perforate 3 squeeze holes at 343'. Establish circulation down 4.5" casing and out annulus with 9 bbls of water. Circulate well clean with additional 11 bbls of water 2 bpm at 700 PSI.

Plug #6 mix and pump 130 sxs Class B cement down 4.5" casing; returns were light cement out the bradenhead valve; lost circulation and casing pressured up to 1800 PSI; attempt to pump into bradenhead annulus, unable to regain circulation. Shut in well and WOC. Dig out wellhead to cut off point. SDFD.

09/17/10 ND BOP. Issue Hot Work Permit. Cut off wellhead. Found cement at the surface in the 4.5" casing and down 75' in the surface casing annulus. RU 1.5" PVC plastic pipe and insert into bradenhead annulus to 75'.

Plug #7 mix and pump 50 sxs Class B cement (59 cf) from 75' to surface to fill the annulus and hold P&A marker.

TOH and LD PVC pipe.

RD and MOL.

